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UPCOMING CHANGES TO THE LABOUR FORCE SURVEY

INTRODUCTION

The Labour Force Survey (LFS) provides high quality estimates of conditions in the Australian Labour Market. To ensure this quality, survey processes and methods are subject to constant review and improvement. This article outlines the significant change program currently under preparation. As the changes develop, further details will be provided in dedicated information papers and upcoming issues of this publication.

NEW SAMPLE DESIGN

Every five years following the Census, the ABS reviews the LFS sample design and selects sufficient sample for the Monthly Population Survey for the following five-year period. The review and sample selection ensures that the survey continues to accurately reflect the geographic distribution of the Australian population, and remains efficient and cost-effective. The new sample design will incorporate the change to the geography framework to adopt the new Australian Statistical Geography Standard (ASGS).

In order to reduce the potential impact of the change in sample on labour force statistics, the new sample is being introduced progressively, taking advantage of the existing rotation group system. Using this system, the private dwelling sample in larger urban centres and less remote areas, representing approximately four-fifths of the total sample, will be phased in between March 2013 to June 2013. Within these areas, two-eighths of the new sample will be introduced each month. The rest of the sample (in remote, less populated areas and for non-private dwellings) will be introduced through a separate process. The increased sample rotation will have an impact on the quality of estimates. Movement standard errors will increase by approximately 22%, representing an increase on the standard error on the Australian monthly change in employment from 27,000 to 33,500. Due to the use of composite estimation, there will also be a marginal impact on the quality of level estimates. Gross Flows analysis will be impacted by the sample redesign with less than 75 per cent of the sample available for matching between the current and previous months during the transition period instead of the current 87.5 per cent.

After the transition to the new sample, the quality of level and movement estimates will return to be equivalent to the current quality.

Further information will be provided in an information paper to be released in November 2012.

AUSTRALIAN STATISTICAL GEOGRAPHY STANDARD (ASGS) AND LABOUR FORCE SURVEYS

The Australian Bureau of Statistics has recently developed a new geography, the Australian

Statistical Geography Standard (ASGS) to replace the Australian Standard Geographical Classification (ASGC). The ASGS brings all the regions for which the ABS publishes statistics within the one framework and is used by the ABS for the collection and dissemination of geographically classified statistics. It is the framework for understanding and interpreting the geographical context of statistics published by the ABS. As a whole, the ASGS represents a more comprehensive, flexible and consistent way of defining Australia's statistical geography than the ASGC. For further information about the ASGC and ASGS please refer to the ABS website at www.abs.gov.au/geography or **Australian Statistical Geography Standard (ASGS): Volume 1 - Main Structure and Greater Capital City Statistical Areas, July 2011** (cat. no. 1270.0.55.001).

The monthly labour force publication, **Labour Force, Australia** (cat. no. 6202.0) is released on State/Territory and whole of Australia geographies and consequently its information is not impacted by the introduction of the ASGS. The two publications that are directly impacted by the ASGS implementation are **Labour Force, Australia, Detailed - Electronic Delivery** (cat. no. 6291.0.55.001) and **Labour Force, Australia, Detailed, Quarterly** (cat. no. 6291.0.55.003). Both these publications provide labour force data on sub-state geographies, currently Capital City Statistical Division and Labour Force Region (LFR). Under the ASGS, these will be replaced by Greater Capital City Statistical Areas (GCCSA) and Statistical Areas 4 (SA4) respectively. Both GCCSA and SA4s have been developed using information from the 2006 Census of Population and Housing on journeys to work and are designed to better reflect local labour market catchment areas.

The first release of data on SA4 and GCCSA will be for the August 2013 release of **Labour Force, Australia, Detailed - Electronic Delivery** (6291.0.55.001) and the August release of **Labour Force, Australia, Detailed, Quarterly** (cat. no. 6291.0.55.003). Additionally, for the period July 2006 to July 2013, LFS estimates will be revised based on the ASGS.

Further information will be provided in the information paper to be released in November 2012.

2011 CENSUS AND LABOUR FORCE POPULATIONS

The ABS released preliminary estimates of the Australian estimated resident population (ERP) on 20 June 2012 in **Australian Demographic Statistics, December Quarter 2011** (cat. no. 3101.0) using information from the 2011 Census of Population and Housing. Based on the results of the 2011 Census and the 2011 Census Post Enumeration Survey, estimates of Australia's population for the June quarter 2011 have been revised down by 294,400 persons. These preliminary estimates will be finalised in June 2013, when the measurement of Australian residents temporarily overseas on Census night and the components of population growth (that is, births, deaths, net overseas migration and net interstate migration) for the period between the 2006 and 2011 censuses and the period from 30 June 2011 and 9 August 2011 (Census night) are finalised.

The ABS routinely updates the labour force series every five years, following the release of finalised population estimates that result from a Census. In mid-2013, the ABS will recalculate the labour force estimates in line with the final 2011 Census-based population estimates. Until then, labour force population benchmarks will continue to be based on the civilian working age population series projected from the 2006 Census. As a result, the Labour Force benchmarks of the working age population will not match the levels of the latest 2011 Census-based population estimates, but the month-to-month movements will be in line with the most up-to-date projections of quarterly population growth.

LABOUR HOUSEHOLD SURVEYS CONTENT REVIEW

As noted in the June 2012 issue of **Labour Force, Australia** (cat. no. 6202.0), the information paper **Outcomes of the Labour Household Surveys Content Review** (cat. no. 6107.0) was released on 12 July 2012.

While the information paper outlines the intended changes to the entire ABS labour household surveys program (of which the LFS is just one part) and provides more information about the review, the developments that are planned for the LFS are summarised below.

- Improved measures of underemployment and labour underutilisation to be released monthly
- Volume measures of labour underutilisation to be released quarterly
- Educational attainment to be released monthly
- Information on casual work to be released quarterly
- Public and private sector information to be released quarterly
- Better coherence of employment classifications in LFS output
- Introduction of a quarterly LFS retrenchment rate
- Expanded duration of employment with current employer/business
- Refinements to the collection of full-time and part-time jobs search
- Estimates to be released on the number of jobs in the economy
- Improved 'gross flows' data
- Further breakdowns of Aggregate monthly hours worked
- Release of a Longitudinal Labour Force Survey Confidentialised Unit Record File
- Industry estimates to be released monthly

These developments will result in more information being available from the LFS and a richer array of data with key measures released more frequently. They will also improve the conceptual robustness and relevance of the survey and enable critical labour market linkages that are not currently possible.

The exact details may change subject to testing and an assessment of statistical impact, to ensure that the changes will not have an adverse impact on respondent burden or on LFS estimates.

Improvements to the LFS from the content review are expected to be implemented into the collection from July 2013. It is recognised that dissemination of the expanded content in the LFS is of considerable interest to users. As a result, a comprehensive dissemination strategy will be developed, in consultation with key users. This will consider the number and format of products, and will include microdata dissemination options.

For more details, refer to the information paper **Outcomes of the Labour Household Surveys Content Review** (cat. no. 6107.0).

INTRODUCTION OF E-FORMS

Currently in the LFS, the ABS uses interviewers to record responses from households via either a personal interview or by telephone interview. In December 2012, the ABS will progressively start to offer electronic forms (e-forms) to households selected in the LFS. This follows the ABS introduction of e-forms into the recent Census and a number of business surveys. E-form offers will gradually increase during 2013. By the beginning of 2014, it is intended that e-forms will supplant the current interviewer enumerated survey instrument as the default mode for collecting survey data in the LFS. Interviewer enumeration will continue to be offered to a limited subset of the Labour Force sample where e-forms are inappropriate for operational, technological or personal reasons.

The ABS is using experience developed in introducing previous changes to the LFS to help manage the impact of this shift. The most recent change of a similar nature occurred in 1996 when the LFS was migrated from personal interview to telephone interview for a majority of respondents. Any impacts that are identified will be advised to users in the relevant publications.

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